

FISCAL NOTE

HB 160 - SB 491

March 1, 2001

SUMMARY OF BILL: Provides for an increase in the minimum public works contract which requires a bond of 25% of the contract from \$100,000 to an amount starting at \$100,000 which changes annually based on the change for the previous year in the consumer price index.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Increase Local Govt. Expenditures - Not Significant

Estimate assumes:

- few contracts would be affected by this change annually.
- with fewer contracts requiring bonds under the provisions of the bill, the state and local governments may have increased exposure to liability and a potential for increased expenditures related to such liability. The number of unfulfilled contracts that would be affected by the provisions of this bill is estimated to be small and the effect on state and local government expenditures is estimated to be not significant.
- the state and local governments will experience a not significant increase in expenditures for administrative expenses related to the annual change.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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